

## 2.17B

The Insolvency Act 1986

## Statement of administrator's proposals

Name of Company Able Services Limited	Company number 04333871
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 2342/2011

(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)  
Alexander Kinninmonth  
RSM Tenon Recovery  
Highfield Court, Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire, SO53 3TZ

Carl Stuart Jackson  
RSM Tenon Recovery  
Highfield Court, Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire, SO53 3TZ


\*Delete as applicable

attach a copy of \*my/our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 5 July 2011

Signed



Joint Administrator(s)

Dated

5 July 2011

## Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to researchers of the public record

Alexander Kinninmonth  
RSM Tenon Recovery  
Highfield Court, Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire, SO53 3TZ

+44 (0) 2380 646 464  
DX Exchange

ber

Companies

SATURDAY



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09/07/2011

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COMPANIES HOUSE

u have completed and signed this form, please send it to the  
of Companies at -  
ies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

**Private and Confidential**

**To All Members and Creditors**

**RSM Tenon Recovery**  
Highfield Court, Tollgate, Chandlers Ford,  
Eastleigh, Hampshire, SO53 3TZ  
T +44 (0) 2380 646 484  
F +44 (0) 2380 646 646  
**www.rsmtenon.com**

**Our Ref**  
ASK/CSJ/PG/AH/5011938/ADM0106b/

5 July 2011

**When telephoning or emailing please contact Alison Hughes on 02380 646528 or  
alison.hughes@rsmtenon.com**

Dear Sirs

**Able Services Limited ("the Company") – In Administration**  
**Address Thames Innovation Centre, Veridion Way, Erith, Greater London, DA18 4AL**

I previously wrote to you advising you that Carl Stuart Jackson and I were appointed Joint Administrators of the Company on 12 May 2011. I now enclose

- 1 Formal notice of a meeting of creditors. The purpose of this meeting is to seek the approval of creditors to our proposals
- 2 A statement setting out our formal proposals for achieving the objective of the Administration. Copies of these proposals have been filed with the Registrar of Companies and are being sent to all members and creditors of the company
- 3 Our proposals include information about the background to the Administration, actions we have taken, a summary of the Company's statutory information and details of the Company's estimated financial position as at the date of Administration which is known as a Statement of Affairs
- 4 A proxy form and a proof of debt form for your use at the meeting of creditors. As a creditor you can only vote if you complete and send these forms to us and your claim is admitted for voting. I must receive your completed forms by no later than noon on the business day before the day of the meeting. You do not have to attend the meeting, and non-attendance will not affect your rights against the Company. Please note that creditors whose claims are wholly secured are not entitled to vote at the meeting

The proposals include terms setting out the basis on which the Joint Administrators are to be paid and their expenses met. Creditors are also being asked to consider whether to approve payment of the Joint Administrators pre-administration costs out of the assets of the Company as an expense of the Administration. Please go to [www.rsmtenon.com/creditorguides](http://www.rsmtenon.com/creditorguides) and click on 'Remuneration Guidelines Administration (post 6 April 2010)' if you require further information relating to Administrator's Remuneration. The Guide also gives

Recovery and Insolvency services are provided through RSM Tenon Limited and our Insolvency Practitioners are authorised to act in this capacity by their individual licensing bodies. RSM Tenon Limited is a subsidiary of RSM Tenon Group PLC. Directors and staff acting as Administrative Receivers and Administrators act as agents of the company over which they are appointed and contract without personal liability.

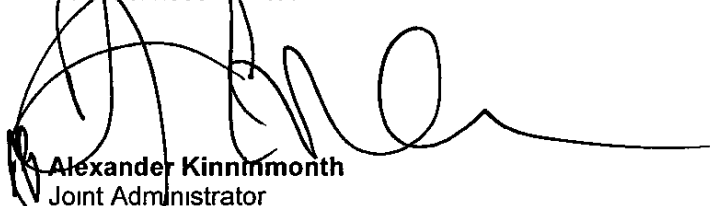
RSM Tenon Limited is an independent member firm of RSM International, an affiliation of independent accounting and consulting firms. RSM International is the name given to a network of independent accounting and consulting firms each of which practices in its own right. RSM International does not exist in any jurisdiction as a separate legal entity.

RSM Tenon Limited (No 4066924) is registered in England and Wales. Registered Office 66 Chiltern Street, London W1U 4GB, England.

important information concerning creditors' rights. Alternatively a copy is available free of charge upon request from the address above

If the debt owed to you by the Company is over six months old, you may be able to recover the VAT element of the debt from HM Revenue & Customs under the VAT bad debt provisions in the VAT legislation. For more information please contact your local VAT office

Yours faithfully  
For and on behalf of  
Able Services Limited - In Administration

A handwritten signature in black ink, appearing to read 'Alexander Kinninmonth', with a long horizontal flourish extending to the right.

**Alexander Kinninmonth**  
Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants  
The affairs, business and property of the Company are being managed by the Administrators*

## Rule 2.35

## Notice of a meeting of Creditors

Name of Company Able Services Limited	Company number 04333871
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 2342 of 2011

(a) Insert full name(s)  
and address(es) of  
administrator(s)

Notice is hereby given by (a)  
Alexander Kinninmonth  
RSM Tenon Recovery  
Highfield Court, Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire, SO53 3TZ

Carl Stuart Jackson  
RSM Tenon Recovery  
Highfield Court, Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire, SO53 3TZ

(b) Insert full name and  
address of registered  
office of the company

that a meeting of creditors of (b)  
Able Services Limited  
Highfield Court  
Tollgate  
Chandlers Ford  
Eastleigh  
Hampshire

(c) Insert details of place  
of meeting

is to be held at (c)  
(c) Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ

(d) Insert date and time  
of meeting

on (d) 20 July 2011 at 11am

The meeting is

\*Delete as applicable

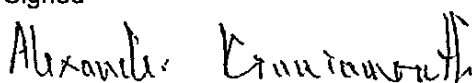
\*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')  
~~\*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~  
~~\*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~  
~~\*(4) a further creditors' meeting under paragraph 56 of the Schedule~~  
~~\*(5) a creditors' meeting under paragraph 62 of the Schedule~~

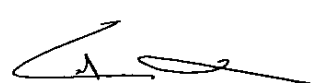
I invite you to attend the above meeting

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim

Signed





Joint / Administrator(s)

Dated  
5 July 2011

5 July 2011

\*Delete as applicable

A copy of the \*proposals/ revised proposals is attached

**Able Services Limited**  
In Administration

Name of Creditor \_\_\_\_\_

Address \_\_\_\_\_  
\_\_\_\_\_

Name of Proxy Holder

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well.

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion.

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on \_\_\_\_\_ at \_\_\_\_\_, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

## Voting Instructions for resolutions

For      Against

\*Please tick as appropriate

1 For the approval of the Joint Administrators' proposals as circulated (excluding paragraph (g) (discharge) as covered by resolution 5 below and paragraphs (h)(remuneration) and (i)(disbursements) as covered by resolutions 3 and 4 below)

☐☐

2 That the Joint Administrators be authorised to draw pre-administration costs of £18,974.50 plus VAT, including fees charged and expenses and disbursements incurred by them and their agents, out of the assets of the Company as an expense of the Administration, and to be drawn as and when funds permit

☐☐☐☐

3 The Joint Administrators shall be authorised to draw their remuneration by reference to time properly spent by them and their staff in dealing with matters relating to the administration of the Company

☐☐

4 The Joint Administrators be authorised to draw category 2 expenses as outlined in Appendix III of the proposals

☐☐

5 That upon the Company either proceeding into Liquidation or dissolution, the Joint Administrators discharge from liability 14 days following either the Company entering into liquidation or filing the notice of moving from administration to dissolution

6 For the appointment of \_\_\_\_\_ (name)

of \_\_\_\_\_ (firm)

as liquidator of the company

CONTINUED ON NEXT PAGE

**Able Services Limited**  
In Administration

- 7 If you wish to appoint a member of the creditors committee, please complete the following -

For the Appointment of \_\_\_\_\_ (name of individual)  
of \_\_\_\_\_ (company/organisation name)  
representing \_\_\_\_\_ (name of creditor)  
as a member of the creditors committee

**This form must be  
signed**

**Signature** \_\_\_\_\_ **Date** \_\_\_\_\_

**Name in CAPITAL LETTERS** \_\_\_\_\_

Only to be completed if  
the creditor has not  
signed in person

**Position with creditor or relationship to creditor or other authority for signature**

\_\_\_\_\_  
\_\_\_\_\_

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**Joint Administrators' Proposals relating to  
Able Services Limited ("the Company") – In  
Administration**

**Issued on: 5 July 2011**

Alexander Kinninmonth and Carl Jackson of RSM Tenon Recovery are the Joint Administrators of the Company and these are the Joint Administrators' statutory proposals relating to the Company

## **1. Statutory Information**

Statutory information relating to the Company is attached at **Appendix I**

## **2 Circumstances leading to the appointment of the Joint Administrators**

The Company was incorporated in 2001 by Robert Charles Menzies, who is a current director. The core business was the supply of plumbing and draining maintenance services and trading was carried on from premises at Thames Innovation Centre, Veridion Way, Erith, Kent, DA18 4AL.

In 2010 the Company entered into a time to pay arrangement with HM Revenue and Customs ("HMRC"). However, due to the loss of a major contract the Company became unable to meet its liabilities. Consequently, the directors met with Alexander Kinninmonth and Duncan Beat of RSM Tenon Recovery.

It was thought that if proposals for restructuring were put in place, the Company could return to profit making. The Company therefore proposed to enter into a Company Voluntary Arrangement ("CVA") which was approved by creditors on 20 October 2010.

The Company at first complied with the terms of the CVA but was not generating the projected turnover.

Under the terms of the CVA, all post-CVA liabilities to HMRC needed to be paid in full and by the due date but the Company was unable to comply with this.

In addition, the outstanding director's loan account of circa £30,000 needed to be paid in full by way of monthly repayments throughout the duration of the arrangement and the director had fallen into arrears with the agreed repayment plan.

The Company was also falling into arrears with the monthly contributions.

Given the above, the Company was in default of the CVA and a conference call was arranged on 1 April 2011 between the director, financial controller, accountant and RSM Tenon to discuss the options available to the Company. Following that call, the director instructed RSM Tenon to assist in placing the Company into Administration.

Neither the Company's director nor Bibby Factors Sussex Limited ("Bibby"), which provided a factoring facility to the Company and have a fixed charge over the book debts, wished for the Company to be placed directly into Liquidation and, following conversations between those parties, the director filed a Notice of Intention to appoint Administrators on 11 April 2011.

A sales memorandum was prepared and circulated to all directors within RSM Tenon nationally and to all potentially interested parties from the Proposed Joint Administrators' own internal database which resulted in five expressions of interest.

Non-disclosure agreements were returned by two parties but only one potential purchaser came forward with an offer for the business, a connected party by common shareholder Peter Menzies.

John Arney of Cuthbert and Kingsley Limited valued the Company's assets on 26 April 2011 and provided values as follows:



	Forced Sale Value (£)	In Situ Value (£)
Motor Vehicles Encumbered (No Equity)	21,175	26,500
Outstanding Finance	(58,462)	(58,462)
	<u>(37,287)</u>	<u>(31,962)</u>
Vehicle (Encumbered)	3,500	4,175
Outstanding Finance	(600)	(600)
	<u>2,900</u>	<u>3,575</u>
Motor Vehicles (Unencumbered)	5,300	7,450
Office Furniture and Equipment	1,200	2,500
Plant and Machinery, Small Tools and Equipment	4,500	9,000
Van Packs	8,000	15,000
Contracts	Nil	18,000
Goodwill	Nil	2,000
	<u>21,900</u>	<u>57,525</u>

The Proposed Joint Administrators considered whether the best option was to cease trading and sell the assets on a forced sale basis but decided against this course of action as the realisations would be much reduced compared to an in-situ sale as detailed above

Bibby provided funding for critical payments to enable the Company to keep trading to preserve the contracts and goodwill until Administrators could be appointed

It was necessary for a second Notice of Intention to be filed on 27 April 2011 whilst valuations were obtained and negotiations took place, largely due to disruption caused by the numerous public holidays

The offer received from Able Services PDM Limited ("Able") was as follows

	(£)
Motor Vehicles	8,000
Equipment	18,500
Contracts	12,500
Goodwill	999
Work in Progress	5,000
Stock	1
	<u>45,000</u>

Plus 3% of the first twelve months gross profit payable monthly

In the absence of any other offers, Cuthbert and Kingsley recommended that the Proposed Joint Administrators accept the offer from Able

The sale agreement includes an anti embarrassment clause in the event of a sale of assets or the sale of 60% or more of the shares in the proposed purchaser within 18 months of the sale, which states that 60% of the proceeds of such a sale must be paid to the Joint Administrators immediately upon completion

The Joint Administrators have also secured a personal guarantee from the purchaser's director

The Company's main creditor, Bibby, holds a fixed and floating charge over the Company's book debts and was consulted fully regarding the sale of the business and ultimately appointed the Joint Administrators

On 12 May 2011, Carl Stuart Jackson and I were appointed by Bibby as Joint Administrators of the Company. The appointment permitted the Joint Administrators to take any actions required either jointly or alone

### **3. Objectives of the Administration of the Company and the Joint Administrators' strategy for achieving them**

The purpose of an Administration is to achieve one of the three hierarchical objectives set out in the insolvency legislation, which are to

- (a) rescue the company as a going concern, or
- (b) achieve a better result for the company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
- (c) realise property in order to make a distribution to one or more secured or preferential creditors

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company. Moreover, the Company had unsuccessfully attempted to undergo a CVA

As a result, the Joint Administrators are seeking to achieve objective (b) for the Company, and will do this by continuing to collect the deferred sale consideration from Able

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If I am unable to complete the Administration of the Company cannot be completed within 12 months then the Joint Administrators I will either apply to the Court, or hold a meeting of creditors, in order to seek approval to extending the duration of the Administration

### **4. Actions of the Joint Administrators following appointment**

The Joint Administrators decided that it was not appropriate to continue the business of the Company and that an immediate sale of the Company's business and assets was the best way to achieve the objective of the Administration. As a result, on 12 May 2011, the Joint Administrators sold the Company's business and assets to Able Services PDM Limited for the sum of £45,000 plus 3% of the gross profit for the first 12 months

The first £5,000 was due upon completion plus a further 8 monthly instalments of £5,000

The sale of the business meant that the 20 employees transferred to Able under the TUPE legislation and therefore the overall liability as regards preferential creditors was greatly reduced

The details of the sale which the Joint Administrators are required to provide pursuant to Statement of Insolvency Practice 16 were given in their initial notification to creditors

### **5. Financial Position of the Company**

I have prepared an estimate of the financial position of the Company as at 12 May 2011 from the records of the Company, and that is attached at **Appendix II**, together with a list of names and addresses of all known creditors, and the amounts of their debts

## **Comments on the Joint Administrator's estimate of the financial position of the Company**

### **5.1. Book Debts**

The Company factored its book debts, and as a result they are held as security by Bibby Bibby are collecting the book debts. It is uncertain whether there will be any surplus after Bibby's debt and termination charges have been paid.

### **5.2. Equipment**

The Company's plant and machinery was valued by John Amey of Cuthbert and Kingsley on 26 April 2011 with a forced sale value of £4,500. This was included in the sale to Able.

The Company also had an amount of Van Packs, which Mr Amey valued at £8,000. These were also included in the sale to Able.

The sum of £18,500 was offered by Able for all of the Company's equipment.

### **5.3. Motor Vehicles**

The Company had a number of motor vehicles, some of which were subject to finance. It was estimated that there would be no realisable equity in the encumbered vehicles but the sum of £2,500 was offered from Able in this respect.

There were also unencumbered motor vehicles which were valued by Mr Amey at £5,300 on a forced sale basis. The sum of £5,500 has been realised in this regard following the sale to Able.

### **5.4. Contracts**

The Company's contracts were estimated to have a nil value on a forced sale basis but the sum of £12,500 has been realised in this regard.

### **5.5. Work in Progress**

The Company's work in progress was also estimated to have a nil value but the sum of £5,000 has been realised in this regard.

### **5.6. Director's Loan Account**

There is an outstanding director's loan account in the sum of £25,230. It is expected that this will be realised in full.

### **5.7. Preferential creditors**

The only known preferential creditors are former employees of the Company for unpaid wages and holiday pay. Their claims are subject to a maximum limit set by the insolvency legislation.

### **5.8. Prescribed Part**

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A Company's net property is

that left after paying the preferential creditors and costs and expenses of the Administration, but before paying the lender who holds a floating charge. An Administrator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

The Company granted a fixed and floating charge to Bibby on 3 July 2007. It is hoped that the money due to Bibby will be fully repaid from the fixed charge it holds over the Company's book debts. As a result, if this is the case, I will not have to pay Bibby any money under its floating charge, such that the prescribed part provisions will not apply.

#### **6. Joint Administrators' Receipts and Payments Account**

I attach a summary of my receipts and payments relating to the Company for the period from when it entered Administration, 12 May 2011, to the date of these proposals, at **Appendix IV**

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
PDT Solicitors	Preparing documentation for the appointment of the Joint Administrators, drafting the sale agreement	Time costs + VAT + Disbursements
Cuthbert and Kingsley Limited	Providing a valuation of the Company's assets	Time costs + VAT + Disbursements

#### **7. Proposed Future Actions of the Joint Administrators to Achieve the Objective of the Administration**

In order to achieve the objective of the Administration of the Company I propose to continue to collect the deferred sale consideration from Able, as well as monitor its turnover to ensure that 3% is paid to the Company.

I will also continue to assist Bibby in collecting the book debts to ensure that maximum realisations are made in this regard.

#### **Secured Creditors**

The Company granted a fixed and floating charge to Bibby on 5 July 2007.

Current indications are that book debt realisations may be sufficient to settle Bibby's liability in full under the terms of its fixed charge.

#### **Preferential Creditors**

Most of the Company's employees have transferred to Able under the TUPE legislation, therefore reducing the overall liability to the Company.

Four employees were made redundant prior to the Company being placed into Administration and they have claims against the Company for unpaid wages and holiday pay. Current indications are that preferential creditors will be paid in full.

#### **Unsecured Creditors**

Claims of £590,692 have been received from unsecured creditors to date. Dividend prospects are currently reliant on the level of future realisations.

#### **8. Meeting of Creditors**

I am holding a meeting of creditors to enable creditors to consider and vote on my formal proposals to achieve the objective of the Administration of the Company. The meeting will be

held on 20 July 2011 at Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TZ at 11am , and a formal notice about the meeting is enclosed with these proposals

I also enclose a proxy form and a claim form for your use at the meeting of creditors. As a creditor you can only vote if you complete and send the proof of debt form (and proxy form if you intend to use one) to us and your claim is admitted. I must receive your completed forms by no later than noon on the business day before the day of the meeting. You are not required to attend the meeting, and non-attendance will not affect your rights against the company. Creditors whose claims are wholly secured are not entitled to vote at this meeting, but can attend or be represented.

The meeting of creditors will be given the opportunity to appoint a creditors' committee. A committee is made up of between three and five representatives of creditors who will then meet me on a regular basis to discuss the Administration of the Company. If a committee is appointed then it will be for them to approve the Joint Administrators' remuneration and category 2 expenses. If a committee is not appointed then approval of the Joint Administrators' remuneration and category 2 expenses will be considered as part of these formal proposals.

## **9. Pre-Administration Costs**

Before a company enters into any form of insolvency proceedings, professional costs are necessarily incurred in order to ensure that -

- The most appropriate form of proceedings is chosen, in the interests of creditors and
- To deal with the mechanics of initiating the proceedings and appointing an insolvency practitioner

The basis on which these costs are to be paid varies according to the insolvency procedure adopted. In the case of a company entering into Administration, the Administrator must make a 'Statement of Pre-Administration Costs', the content of which is prescribed by the Insolvency Rules, and seek approval for their payment from the creditors of the company.

My statement of Pre-Administration costs is set out at **Appendix V**

In this case, further work was also done in the interests of creditors prior to our appointment as Joint Administrators to prepare for the sale of the business and assets shortly following our appointment. It will be appreciated that, had this commercial opportunity not been available, it would have still been necessary to obtain valuations and instruct agents and solicitors to assist in disposing of the assets following the Joint Administrators' appointment, and for the Joint Administrators to manage and oversee the asset realisation process. To that extent, these costs are not additional costs that would have been saved, had the assets been disposed of later.

A separate resolution dealing with my Pre-Administration costs is on the proxy accompanying this report. I should point out that this resolution does not comprise part of my formal Proposals for the conduct of the Administration.

## **10. Joint Administrators' Remuneration and Expenses**

I propose that our fees will be charged by reference to the time properly spent by us and our staff in dealing with the matters relating to the Administration of the Company. This time will be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken. Information about current charge out rates is set out in **Appendix III**.

I also propose that we are permitted to charge what are known as category 2 expenses. Information about category 2 expenses is also set out in **Appendix III**.

The approval of the basis of our remuneration and category 2 expenses forms part of these proposals, for which approval is being sought, but if a creditors' committee is appointed at the forthcoming meeting of creditors then I will seek approval from that committee instead

To the date this report is prepared, my time costs amount to £11,927, representing 57.3 hours work, at an average charge out rate of £208. **Appendix III** contains information about remuneration and expenses, including the total time spent on the affairs of the Company for the period from when it entered Administration, 12 May 2011, to the date of these proposals, and the cost of that time based on the charge out rates of the staff undertaking the work

The proposals include terms setting out the basis on which the Joint Administrators are to be paid and their expenses met. Creditors are also being asked to consider whether to approve payment of the Joint Administrators pre-administration costs out of the assets of the company as an expense of the administration. Please go to <http://www.rsmtenon.com/creditorsguide> and click on 'Remuneration Guidelines Administration (post 6 April 2010)' if you require further information relating to Administrator's Remuneration. The Guide also gives important information concerning Creditors' Rights. Alternatively a copy is available free of charge upon request from the address below

#### **11. Discharge from liability**

We are, in accordance with legislation, seeking a resolution from the creditors for discharge from liability in respect of any action of ours as Joint Administrators to take effect immediately following our cessation to act as Joint Administrators

#### **12 Joint Administrators' Investigations**

The Joint Administrators have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. We are also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of the normal investigation procedure

#### **13. EC Regulation on Insolvency Proceedings**

I consider that the EC Regulation on Insolvency Proceedings applies and that these are "main" proceedings as defined in Article 3 of the EC Regulations as the centre of main interest of the company is in England and Wales

#### **14. Joint Administrators' Proposals**

In order to achieve the objective set out at Section 3 above, Alexander Kinninmonth and Carl Stuart Jackson of RSM Tenon Recovery, the Joint Administrators formally propose to creditors that

- (a) they continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that they
  - (i) sell the Company's assets at such time(s) on such terms as they consider appropriate,
  - (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company, and
  - (iii) do all such things and generally exercise all their powers as Joint Administrators as they in their discretion consider desirable or expedient

in order to achieve the purpose of the administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals

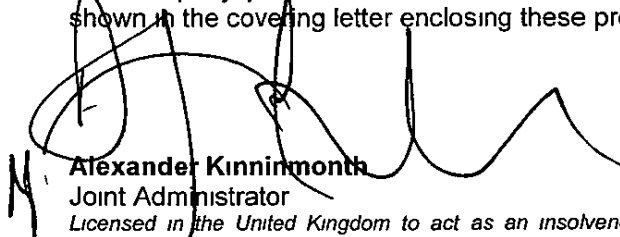
- (b) If there are funds available to be distributed to the unsecured creditors, the company exits the Administration by way of a Creditors Voluntary Liquidation, and that Alexander Kinninmonth and Carl Stuart Jackson are appointed the Joint Liquidators of the Company, and that they will act jointly and severally in their duties. Creditors may nominate a different person(s) as the proposed liquidator(s), but must make the nomination(s) at any time after receipt of these proposals, but before they are approved. Information about the approval of the proposals is set out at Section 13
- (c) If there are no funds available for distribution to the unsecured creditors, the company exits Administration by way of dissolution, or
- (d) the Administration will end by the presentation of a winding up petition to the Court for the Compulsory Liquidation of the Company, and they further propose that Alexander Kinninmonth and Carl Stuart Jackson be appointed the liquidators of the Company by the Court, or
- (e) the Administration of the Company will end by making an application to Court for an order that the Administration ceases, or
- (f) the Administration of the Company will end by giving notice to the Court, creditors and Registrar of Companies that the objective of the Administration has been achieved
- (g) if the Administration ends by the Company moving into liquidation or being dissolved, the Joint Administrators shall be discharged from liability 14 days following either the Company entering into liquidation or filing the notice of moving from administration to dissolution
- (h) they shall be authorised to draw their remuneration by reference to time properly spent by them and their staff in dealing with matters relating to the Administration of the Company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken. Details of the current charge out rates for the Joint Administrators and their staff are outlined in **Appendix III** of these proposals

Such remuneration is to be paid out of the assets of the Company and drawn on account as and when funds permit without any further recourse to creditors

- (i) they be authorised to draw category 2 expenses as outlined in **Appendix III** of these proposals

## 15. Further Information

Should you require any further information relating to these proposals or the Administration of the Company please do not hesitate to contact Alison Hughes on the telephone number shown in the covering letter enclosing these proposals



**Alexander Kinninmonth**  
Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants*

*The affairs, business and property of the Company are being managed by the Administrators*

### Company Information

Company Name	Able Services Limited
Previous Name	Able Drains Services Limited changed on 10/05/2006
Company Number	04333871
Date of Incorporation	4 December 2001
Trading Address	Thames Innovation Centre, Veridion Way, Erith, Greater London, DA18 4AL
Current Registered Office	Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
Former Registered Office	Camburgh House, 27 New Dover Road, Canterbury, Kent, CT1 3DN
Principal Trading Activity	Maintenance of commercial drainage and plumbing

### Appointment details

Date of Appointment	12 May 2011
Appointment made by	Bibby Factors Sussex Limited
Court Name and Reference	High Court of Justice, Chancery Division, Companies Court No 2342 of 2011
Administrators Appointed	Alexander Kinninmonth IP Number 9019  Carl Stuart Jackson IP Number 8860

### Officers of the company

Directors	Name	Shareholding
	Robert Charles Menzies	24 ordinary shares
Company Secretary	Shelley Menzies	24 ordinary shares

### Share Capital

Authorised	Allotted, called up and fully paid
100 ordinary shares of £1 each	100 ordinary shares of £1 each
34,000 preference shares of £1 each	34,000 preference shares of £1 each

### Charges

Debenture dated 7 July 2007 in favour of Bibby Factors Sussex Limited



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**Appendix II**

**Joint Administrators' Estimate of the Financial  
Position of the Company**

**as at 12 May 2011**

Insolvency Act 1986

Able Services Limited  
Estimated Statement Of Affairs as at 12 May 2011

	Book Value £	Estimated to Realise £	£
<b>ASSETS</b>			
Book Debts	147,033 00	147,033 00	
Bibby Factors Sussex Limited	(118,967 00)	(118,967 00)	
		28,066 00	28,066 00
Motor Vehicles (Encumbered)	63,832 00	60,962 00	
Outstanding Finance	(58,462 00)	(58,462 00)	
		2,500 00	2,500 00
Equipment	78,517 00		18,500 00
Motor Vehicles (Unencumbered)	5,396 00		5,500 00
Contracts	NIL		12,500 00
Work in Progress	102,103 00		5,000 00
Goodwill	NIL		999 00
Director's Loan Account	25,230 00		25,230 00
			98,295 00
<b>LIABILITIES</b>			
<b>PREFERENTIAL CREDITORS -</b>			
Employees - Unpaid Wages and Holiday Pay		2,000 00	
			2,000 00
			96,295 00
<b>DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003</b>			
<b>OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS</b>			
			NIL
			96,295 00
Estimated prescribed part of net property where applicable (to carry forward)			8,713 20
			87,581 80
<b>DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003</b>			
			NIL
			87,581 80
Estimated prescribed part of net property where applicable (brought down)			8,713 20
			96,295 00
<b>Unsecured non-preferential claims (excluding any shortfall to floating charge holders)</b>			
Trade and Expense Creditors		263,137 97	
HM Revenue and Customs - VAT/PAYE & NIC		450,432 00	
			713,569 97
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F C's post 14 September 2003)			(617,274 97)
			(617,274 97)
Issued and called up capital			
Preference Shareholders		34,000 00	

Insolvency Act 1986

Able Services Limited  
Estimated Statement Of Affairs as at 12 May 2011

	Book Value	Estimated to Realise
	£	£
Ordinary Shareholders		100 00
		34,100 00
<b>TOTAL SURPLUS/(DEFICIENCY)</b>		<b>(651,374 97)</b>

**NOTES TO THE JOINT ADMINISTRATORS' ESTIMATE OF THE FINANCIAL POSITION OF THE COMPANY**

**As at 12 May 2011**

- 1 The Joint Administrators' estimate of the Financial Position of the Company does not take into account the costs of the Administration
- 2 The figures contained in the Joint Administrators' estimate of the Financial Position of the Company reflects information obtained from the Company's records
- 3 Cuthbert and Kingsley carried out a valuation of the assets of the company
- 4 Preferential creditors represent liabilities to employees that were made redundant prior the Company being placed into Administration

**Able Services Limited**  
**B - Company Creditors**

Key	Name	Address	£
CA02	A Plant Hire	102 Dalton Avenue, Birchwood Park, Warrington, Cheshire, WA3 6YE	445 57
CA04	Alan Fuller Limited	Sedbury Works, Edmund road, Nr Chepstow, NT16 7YE	0 00
CA01	Alternative Drainage Company	Unit 14, Ashlet Industrial Estate, Ossett, Wakefield, WF5 9JD	293 75
CA03	AMS Drains Services Limited	62 Gloucester Road North, Filton, Bristol, BS34 7PH	752 02
CA05	Ashfield Effluent Services Ltd	The Bungalow, 113c Alfreton Road, Sutton, Ashfield, Nottingham, NG17 1FJ	0 00
CB03	BCC08	Unit 14-15 Ramac Industrial Estate, Raymac Way, Charlton, SE7 7AX	7,664 55
CB04	Bibby Factors Limited	3rd Floor Lacuna Place, Havelock Road, Hastings, East Sussex, TN34 1BG	118,967 00
CB01	British Red Cross	Shared Service Centre British , Red Cross Society, Floor 3, 1 Smithhills Street, Paisley, PA1 1EA	420 65
CB00	British Telecom	BTUK Business Accounts, Providence Row, Durham, DH98 1BT	20 56
CB02	Burgess Hodgson	Camburgh House, 27 New Dover Road, Canterbury, CT1 3DN	4,887 88
CA00	C D P Limited t/a AOK	49 Leasons Hill, Orpington, Kent, BR5 2LF	247 93
CC02	Cammack & Wilcox Limited	1 Vicarge Lane, Denton, Northamptonshire, NN7 1DT	258 50
CC08	Carl Taylor Plant Hire	10 Garth Grove, Hirwaun, Aberdare, CF44 9SD	2,619 95
CC04	Castleview Group Services	78 Imperial Drive, Riverview Park, Gravesend, Kent, DA12 4LW	156 95
CC03	Central London Office Supplies	178 Upper Wickham lane, Welling, Kent, DA16 3EB	431 33
CC0B	Charles Wilson Engineers Limited	86 High Street, Harpenden, Herts, AL5 2SP	9,078 14
CC0C	City of London	PO Box 4561, Worthing, BN13 1XW	0 00
CC09	Clearline Drains	118 Old Mill Lane, Ancoats, Manchester, M4 6EE	3,000 15
CC07	Clearway Drainage Systems Limited	Unit 7 Firsdale Industrial Estate, Nangreaves Street, Leigh, WN7 4TN	4,047 92
CC0A	Concorde Interiors (Europe) Limited	Unit 13, Belvedere Industrial Estate, Fishers Way, Belvedere, Kent, DA17 6BS	7,144 79
CC06	CPS Auto Repair Services	Unit 8 Kencott Business Park, Waldrst Way, Erith, Kent, DA18 4AB	953 09
CC05	Cybit Limited	Cybit House, Kingfisher Way, Hinchingsbrooke Business Park, Huntingdon, Cambridgeshire, PE29 6FN	352 50
CD05	D Martin Drainage & Plumbing	30 Elmfield Road, Castle Bromwich, Birmingham, B36 0HL	1,388 72
CG05	Darren Griffiths	23 Cedar Road, Slade Green, Kent, DA8 2NR	900 00
CD02	Dartford Motors	157 Heath Lane Upper, Dartford, DA1 2TW	326 93
CD01	DES Limited	C/o Venture Finance Plc, Sheencroft House, 10-12 Church Road, Haywards Heath, West Sussex, RH16 3SN	987 00
CD0A	Design & Management Systems Limited	Contract House, 202 North Cray Road, Sidcup, Kent, DA14 5EL	5,158 59
CD09	Dial A Rod Engineering Services Limited	The Office Suite, 21 Whitcombe Road, Newport, Isle of Wight, PO30 1YS	4,206 51
CD03	DK Industrial Chemicals	Lower Ground Floor, 3-15 Sheet Street, Windsor, Berks, SL4 1BN	554 90

**Able Services Limited**  
**B - Company Creditors**

Key	Name	Address	£
CD08	Drain Master (Wiltshire) Limited	Reedham, Silver Street, Minety, Malmesbury, Wiltshire	2,986 56
CD07	Drain Tec Plumbing & Drainage N E	Unit 3, Brewery Lane, Brewery Lane Industrial Estate, Felling, Gateshead, NE10 0EY	2,695 93
CD00	Drains Clear	301 Winslow Road, Bromyard, Hereford, HR7 4TX	143 75
CD04	DSS Enviromental Limited	Prospect Row, Dudley, DY2 8SG	987 00
CD06	Durey Castings Limited	Hawley Road, Dartford, Kent, DA1 1PU	2,474 58
CE01	Easy Load Limited	Lees yard, Old Rochester Way, Dartford, Kent, DA1 3QU	763 75
CE02	Eazyflow Drain Company	160-162 Kingsway, Ossett, WF5 8DW	922 36
CE00	E-on Energy	PO Box 123, Nottingham, NG1 6HD	127 35
CE04	Epsom & Ewell Borough Council	Town Hall, The Parade, Epsom, Surrey, KT18 5BY	0 00
CE03	Express Plant Hire Limited	Unit 22, Highways Business Park, Heckford Street, Tower Hamlets, London, E1W 3HS	15,125 51
CF00	F B Skips Limited	Hafod Road, Ruabon, Wrexham, LL14 6HF	140 00
CF01	Fuel Card Services Limited	Alexandra House, Lawnswood Business Park, Redvers Close, Leeds, LS16 6QY	2,744 25
CG04	Gadmon Industries	Kofo House, 57 Glengall Road, London, SE15 6NF	1,628 45
CG06	Gillian & Co Solicitors	1a Red Lodge Road, West Wickham, Kent, BR4 0EL	0 00
CG01	GoEnviro	Laurel Cottage, Croft Y Genau Road, St Fagans, Cardiff, CF5 6DS	635 70
CG03	Graham	The Plumbers' Merchants	1,279 98
CG00	Greenwoods Solicitors	2 Eskan Court, Campbell Park, Milton Keynes, MK9 4AN	379 40
CH01	Hamer Consulting Limited	62 Sandy Lane, South Cheam, Sutton, Surrey, SM2 7EN	531 99
CH02	Herne Bay Plant Hire	Hanover Street, Herne Bay, Kent, DA18 4AL	879 97
CI00	HM Revenue & Customs	Durrington Bridge House, Barrington Road, Worthing, West Sussex BN12 4SE	450,432 00
CG02	HSBC Invoice Finance (UK) Limited	Insolvency Department, Farncombe Road, Worthing, BN11 2BW	1,113 90
CH03	HSS Hire Service Group Limited	Unit 19D, Water Lane Industrial Estate, Storrington, West Sussex, RH20 3DW	1,654 51
CH04	Hydro Power Uk Limited	Unit 19D, Water Lane Industrial Estate, Storrington, West Sussex, RH20 3DW	7,224 61
CH00	Hydrorod (KJ Howard)	48 Birchy Barton Hill, Exeter, Devon, EX1 3EX	52 88
CI02	Implex Structures Limited	Unit 7c Station Road Ind Estate, Station Road, Ampthill, Beds, MK45 2RB	470 00
CI03	Inlec UK Limited	Ellerbeck Way, Stokesley Business Park, Stokesley, North Yorkshire, TS9 5JZ	715 58
CJ00	J G Drainage	1077 London Road, Alavaston, Derby, DE24 8PZ	180 00
CJ01	J L Kettle	32 Norfield Road, Wilmington, Dartford, Kent, DA2 7NZ	215 00
CM06	James Murphy	67 Randcliffe Gardens, Eltham, SE9 6JZ	1,597 15
CJ03	Jet Rod Cardiff - Gregory Spencer Barton	15 Garwelt, Penywaun, Aberdare, CF44 9LT	4,401 84
CJ04	Jewson Limited	99 Harmony Row, Glasgow, G51 3LH	1,300 80
CJ02	John Burlingham Motors	Clifford Moor Road, Clifford, Wetherby, LS23 6LD	221 89

**Able Services Limited  
B - Company Creditors**

Key	Name	Address	£
CK00	Knight Frank	Property Account Department, 20 Hanover Square, London, W1S 1HZ	2,312 70
CL01	Lemboss Limited	Unit 3 Horizon Business Centre, Veridion park, 1-28 Alder Close, Erith, Kent, DA18 4AJ	564 00
CL04	Lloyds TSB Bank plc	Graylaw House, 20-22 Watling Street, Canterbury, Kent, CT1 2UA	49,910 28
CL05	Lloyds TSB Bank Plc	c/o DWF LLP, 5 St Paul's Square, Old Hall Street, Liverpool, L3 9AE	0 00
CL08	London Borough of Bexley	Finance and Business Services, Business Rates Office, PO Box 368, Erith, Kent, DA8 1UB	0 00
CL03	London Borough of Bexley	Town Hall, Erith, Kent, DA8 1UB	2,816 83
CL06	London Borough of Tower Hamlets	Parking and Traffic Enforcement, PO Box 14790, London, E14 2WA	0 00
CL02	LP Networks Limited	3 Southwood Road, Eltham, SE9 3QE	2,691 59
CM07	M Martinez Esq LLB	35 Brownspring Drive, London, SE9 3JY	518 00
CM02	Master Jet Limited	Homeguild, Guildford Road, Runfold, Farnham, Surrey, GU10 1PG	575 00
CM03	Mechline Developments Limited	Unit 15, Carters Lane, Kiln Farm, Milton Keynes, MK11 3ER	403 75
CM01	Mersea Drains	5 Ewan Way, Stanway, Colchester	270 00
CM04	Metro Mechanical Services Limited	Unit N5, Europa Trading Estate, Fraser Road, Erith, Kent, DA8 1QL	1,147 11
CM00	MJ Fire & Safety Limited	3 Ranciffe Gardens, London, SE9 6JZ	35 25
EG00	Mr C Grigg	4 Waterfield Close, Belvedere, Kent, DA17 6LB	0 00
CN00	Mr S Nolan	209 Villas Road, Plumstead, London, SE18 7PP	136 00
ES00	Mr S Spreyer	6 Stokesay Court, Grange Crescent, Dartford, Kent, DA2 6RJ	0 00
EM00	Mr T McCauley	19 Rutledge Avenue, Kingsnorth, Ashford, Kent, TN23 3HB	0 00
EE00	Ms K Eglinton	220 Raymond Postgate Court, Tawney Road, Thamesmead, SE28 8DR	0 00
CN01	Northgate Vehicle Hire (Home Counties) Ltd	Insolvency Department, Norflex House, 20 Allington Way, Darlington, Co Durham, DL1 4DY	164 66
CV02	Office Depot Int (UK) Ltd t/a Viking Direct	FAO Horatiu Popescu, 501 Beaumont Leys Lane, Bursom Ind Est, Leicester, LE4 2BN	941 95
CO00	Only IT	Studio 22, Thames Innovation Centre, Veridion Way, Erith, Kent, DA18 4AL	1,192 63
CP03	P & G Skip Hire	Cwmynysminton Road, Aberdare, Mid Glamorgan, CF44 0UP	250 00
CM05	P Menzies	34 Coventry Gardens, Herne Bay, Kent, CT6 6SD	3,466 66
CP08	P A B Plant Limited	Saddlers Yard, Bell Street, Oldham, Lancashire, OL1 3PY	1,271 35
CP06	Peppers	Rowan Road, Bexleyheath, DA7 4BW	87,148 00
CS00	Peter Smith	6 Bullers Close, North Cray, Sidcup, kent, DA14 5LD	224 00
CP04	Phoenix Contracts Limited	Unit 1 Kencot Close, Waldrist Way, off yarnton Way, Thamesmead, Erith, DA18 4AB	291 44
CP00	Pickaweb Limited	4 Giro's Passage, Gibraltar	5 50
CP0A	Pipex Direct Limited	Unit 41 Portland Court, Kingsway Depot, Luton, LU4 8HA	10,525 36

**Able Services Limited**  
**B - Company Creditors**

Key	Name	Address	£
CP02	Pitney Bowes	P O Box 6569, Harlow, Essex, CM20 3FQ	178 35
CP09	PP2 Pumps Limited	1 Bundishall Cottage, Fyfield, Ongar, Essex, CM5 0HP	7,088 16
CP0B	Premier Choice Telecom	Premier House, 102a Station Road, Sidcup, Kent, DA15 7DE	14 89
CP01	Premier Inn	Whitbread Court, Houghton Hall Business Park, Porz Avenue, Dunstable, Bedfordshire, LU5 5XE	48 34
CP0C	Premium Credit Limited	PO Box 350, Epsom, KT17 1WP	0 00
CP07	Project Management Solutions	Adressee Gone Away	1,180 00
CP05	Pump Technology Limited	56 Youngs Industrial Estate, Aldermaston, Berks, RG7 4PW	500 00
CR00	Rainbow Office Supplies Limited	47 Leesons Hill, Orpington, Kent, BR5 2LF	1,038 52
RM00	Robert Menzies	8 Birkdale Close, Mole Hill Road, Whitstable, Kent, CT5 3PY	0 00
CS04	S Hadley Limited	248b Riverdale Road, Erith, Kent, DA8 1QE	1,714 75
CS03	Sage (UK) Limited	North Park, Newcastle upon Tyne, NE13 9AA	608 85
CS07	Scanprobe Techniques	Unit 11 Bushey Close, Old Barn Lane, Kenley, Surrey, CR8 5AZ	58 75
CS01	Sensible Safety	331 Wrotham Road, Istead Rise, Kent, DA13	300 00
CS06	Setchem Systems Ltd t/a Superjet	Unit 5, Kennet Road, Dartford, Kent, DA1 4QN	3,370 38
RM01	Shelley Menzies	8 Birkdale Close, Molehill Road, Chestfield, Kent, CT5 3PY	0 00
CS02	Sprint Media Limited	Chatton House, Northway Lane, Tewkesbury, Gloucestershire, GL20 8JG	427 79
CS05	Stansted Laboratories Limited	Unit 9, Riverside Industrial Estate, 27 Thames Road, Barking, Essex, IG11 0ND	3,113 66
CT03	T B Transport Limited	Office 17, River Wharf, Mulberry Way, Belvedere, Kent, DA17 6AR	180 26
CT05	Taps Limited	25 High Acre Drive, Ivybridge, Devon, PL21 9UJ	910 87
CT02	Target Vehicle Hire Limited	Insolvency Department, Norflex House, 20 Allington Way, Darlington, County Durham, DL1 4DY	1,056 12
CT06	Tarsem Birdee	26 Benares Road, Plumstead, London, SE18 1HY	1,067 50
CT07	Thames Innovation Centre Limited	Management Hub, 2 Veridion Way, Erith, Kent, DA18 4AL	1,113 03
CT01	Thames Waste Water Operations Limited	P O Box 364, Swindon, Wiltshire, SN38 3TL	98 76
CT00	Thames Water Utilities	Customer Services, P O Box 234, Swindon, SN38 3TW	33 63
CC01	The Coffee Shop	Thames Innovation Centre, 2 Veridion Way, Erith, Kent, DA18 4AL	118 00
CL00	The Logo Centre	Unit 25 Kencot Close, East Thamesmead Business Park, Erith, Kent, DA18 4AB	131 15
CT09	Tilfen Land Limited	133 Nathan Way, West Thamesmead Business Park, London, SE28 0AB	0 00
CT04	Top-Click Co UK	3 Ashwood Close, Hayling Island, Hants, PO11 9AX	705 00
CT0A	Transport For London	Traffic Enforcement Centre, Northampton County Court Bulk Centre, St Katherine's House, 21-27 Katherines Street, Northampton, NN1 2LH	187 00



**Able Services Limited**  
**B - Company Creditors**

Key	Name	Address	£
CT08	Ty Newydd Country Hotel	Penderyn Road, Hirwaun, CF44 9SX	1,146 65
CU00	Universal Tyre & Autocentres	Unit 8 & 9 Orbital One, Green Street, Green Road, Dartford, Kent, DA1 1QG	115 14
CV03	Vapormatt Ltd	Monarch Centre, Venture Way, Priorswood Industrial Estate, Taunton, Somerset, TA2 8DE	0 00
CL07	Veronika Lassova	66 Pelton Road, London, SE10 9AH	0 00
CV04	Vodafone	Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN	0 00
CV01	Vodafone Limited	The Ofcom Contact Centre, Vodafone House, Newbury, Berkshire, RG14 2FN	15 00
CV00	VP Plc t/a Groundforce Specialist Construction	Central House, Beckwith Knowle, Otley Road, Harrogate, HG3 1UD	7,322 95
CW00	Walkhampton Drainage Company	15 Church View, Walkhampton, Yelverton, Devon, PL20 6JS	481 76
CW01	Wolters Kluwer	FAO Pam Winstone, 145 London Road, Kingston Upon Thames, Surrey, KT2 6SR	3,096 31
<b>129 Entries Totalling</b>			<b>883,576.20</b>

## **Appendix III**

### **Information relating to Joint Administrators' Remuneration and Expenses**

## **Information relating to the Joint Administrators' Fees and Expenses**

### **Explanation of office-holders charging and disbursement recovery policies**

#### **1.1. Time recording**

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge out rates are

<b>Grade</b>	<b>£</b>
Director and associate director	340 – 450
Senior manager, manager & Supervisor	205 - 310
Other senior professionals	150 - 170
Support and administration staff	95 - 105

#### **1.2. Disbursement recovery**

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Recovery and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred.

Examples of Category 1 expenses are postage, case advertising, specific bond insurance, company search fees, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements include elements of shared or allocated costs incurred by RSM Tenon Recovery and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, and internal storage.

It is proposed that the following Category 2 disbursements are recovered by RSM Tenon Recovery

Category	Basis
stationery	4p, 3p, 35p per envelope, letterhead or label
photocopying	5p per page
faxes	50p per page
storage	£7 20 per box per year
room hire	£100 fixed charge
other travelling	actual

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally

## **2. Description of work carried out**

Section 4 of this appendix outlines the time costs to date in relation to activities undertaken during this matter. These matters can be summarised as follows

### **3.1. Pre-appointment**

Full details of our pre-appointment costs are set out separately in Appendix V

### **3.2. Administration and planning**

The following activities have been undertaken

- > Statutory duties associated with the appointment including the filing of relevant notices,
- > Notification of the appointment to creditors, members, employees and other interested parties,
- > Setting up case files,
- > Reviewing available information to determine appropriate strategy,
- > Setting up and maintaining bank accounts,

Staff of different levels were involved in the above activities depending upon the experience required

### **3.3. Investigations**

The time spent includes

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff

### **3.4. Realisation of assets**

Please refer to the main body of the report but in summary the time spent includes

- > Liaison with solicitors and agents,
- > Correspondence and meetings with interested parties,
- > Monitoring and chasing of deposits
- > Agreement of contracts

Please refer to the main body of the report for more specific details of the assets realised to date

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake. The sale of the business was particularly complex and required extensive involvement of the Administrators and senior staff

### **3.5. Creditors**

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Recording creditor claims
- > Reporting to creditors,
- > Meetings of creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims,

### **4. Time and chargeout summary**

To date a total of 57.3 hours have been spent at an average charge out rate of £208 bringing the total cost to date to £11,927

A summary table is shown on the next page

The above costs exclude VAT

## SIP9 Detailed

5011938 Able Services Limited

Corp Administration/Post Appt

01/01/1900 to 04/07/2011

RSM Tenon

SIP9 Subcategories	Director and Associate Director	Partner	Upper Support Professional	Assistant and Support Staff	Total Costs	Total
<b>Administration and planning</b>						
General Administration	0.90	7.70	27.20	0.70	36.50	207.29
Strategy / Review	-1.00	0.00	0.00	0.00	-1.00	355.00
	-0.10	7.70	27.20	0.70	35.50	203.13
<b>Creditors</b>						
Other Creditor Related Activities	0.30	1.50	4.30	2.00	8.10	199.63
Employee Related Tasks	0.00	0.50	5.60	0.00	6.10	182.62
	0.30	2.00	9.90	2.00	14.20	192.32
<b>Investigations</b>						
Investigations	0.00	1.00	0.70	0.00	1.70	252.35
	0.00	1.00	0.70	0.00	1.70	252.35
<b>Realisation of assets</b>						
FL Freehold & Leasehold	0.00	0.00	0.50	0.00	0.50	170.00
FX Asset General	0.00	0.00	0.50	0.00	0.50	170.00
FL Asset General	1.20	1.00	2.70	0.00	4.90	282.86
	1.20	1.00	3.70	0.00	5.90	1,556.00
Hours	1.40	11.70	41.50	2.70	57.30	
Charge	707.00	3,618.00	7,318.50	283.50		11,927.00

## 5. Disbursements

### 5.1. Category 1

Category 1 disbursements incurred are outlined below

	Incurred £	Paid £
Postage	45 63	0 00
Mileage	2 25	0 00
Total	<u>47 88</u>	<u>0 00</u>

The above costs exclude VAT

### 5.2 Category 2 disbursements

Details of the Category 2 disbursements (amounts payable or paid to RSM Tenon Recovery or to any party in which the officeholder or RSM Tenon Recovery has an interest) are as follows

Description/explanation	Incurred £	Paid £
Stationery	16 19	0 00
Total	<u>16 19</u>	<u>0 00</u>

**Appendix IV**

**Joint Administrators'**  
**Receipts and Payments Account**



**Able Services Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**  
**To 05/07/2011**

S of A £		£	£
147,033 00	<b>SECURED ASSETS</b> Book Debts	NIL	NIL
(118,967 00)	<b>SECURED CREDITORS</b> Bibby Factors Sussex Limited	NIL	NIL
60,962 00 (58,462 00)	<b>HIRE PURCHASE</b> Motor Vehicles (Encumbered) Outstanding Finance	NIL NIL	NIL
18,500 00 5,500 00 12,500 00 5,000 00 999 00 25,230 00	<b>ASSET REALISATIONS</b> Equipment Motor Vehicles (Unencumbered) Contracts Work in Progress Goodwill Director's Loan Account Insurance Refund	NIL NIL 1 00 3,585 70 999 00 NIL 225 65	4,811 35
	<b>COST OF REALISATIONS</b> Legal Fees Statutory Advertising	3,884 70 76 50	(3,961 20)
(2,000 00)	<b>PREFERENTIAL CREDITORS</b> Employees - Unpaid Wages and Holid	NIL	NIL
(450,432 00) (404,421 00)	<b>UNSECURED CREDITORS</b> Trade & Expense Creditors HM Revenue and Customs - VAT/PAY	NIL NIL	NIL
(34,000 00) (100 00)	<b>DISTRIBUTIONS</b> Preference Shareholders Ordinary Shareholders	NIL NIL	NIL
<b>(792,658.00)</b>			<b>850.15</b>
	<b>REPRESENTED BY</b>		
	Vat Receivable		896 58
	Interest Bearing Current Account		133 85
	Vat Payable		(180 28)
			<b>850.15</b>

## Able Services Limited ("the Company") – In Administration

### Statement of Pre-Administration Costs

Pre-Administration costs are defined as fees charged and expenses incurred by the Administrators or their firm, or another person qualified to act as an Insolvency Practitioner, before the company entered Administration but with a view to its doing so

#### Summary of the Joint Administrators' pre-Administration costs

The Joint Administrators' pre-Administration costs comprise -

	£
Pre – Administration time costs (abated)	12,474 50
Pre – Administration expenses	
Legal costs	6,500 00
Pre – Administration disbursements	
Category 1	0 00
Category 2 (see Appendix III)	0 00
<b>Total</b>	<b>£18,974.50</b>

Further information on each category of pre-Administration cost is given below

#### *Pre-administration time costs of the Joint Administrators*

The Joint Administrators' unpaid pre-appointment time costs total £23,274 at RSM Tenon Recovery's standard charging rates (see Appendix III) Of this total cost, £10,799 50 relates to the provision of generic insolvency advice to the Company and conducting financial reviews These generic costs do not fall within the definition of pre-Administration costs as they were not incurred specifically with a view to the Company entering into administration and accordingly we are not seeking to recover the this amount which will be written off as irrecoverable

The balance of the Joint Administrators' pre-appointment time costs totals £12,474 50 and relates to costs incurred specifically with a view to Administration These costs were all incurred in relation to the following activities

- Confirming that one of the statutory objectives of administration could be achieved
- Negotiating a pre-packaged sale of the Company's business and assets
- Liaising with secured creditors, key stakeholders and major creditors
- Carrying out all necessary steps in order to place the Company into Administration

The agreement under which we incurred the pre-Administration costs was oral instructions received from Bibby Factors Sussex Limited

The table on the following page shows a breakdown of the costs incurred None of these costs have been paid

## SIP9 Detailed

5011938 Able Services Limited

Corp Administration/pre appt

01/01/1900 to 04/07/2011

RSM Tenon

SIP9 SubCategory	Senior and Associate Director	Manager	Senior Staff Professional	Assistant and Support Staff	Total Hours	Charge	ProjRate
<b>Administration and planning</b>							
General Administration	0 40	29 10	8 00	0 00	37 50		280 89
Strategy / Review	1 00	0 00	0 00	0 00	1 00		355 00
	1 40	29 10	8 00	0 00	38 50	10,888 50	282 82
<b>Creditors</b>							
Prescribed Part	0 00	0 50	0 00	0 00	0 50		310 00
	0 00	0 50	0 00	0 00	0 50	155 00	310 00
<b>Realisation of assets</b>							
FX Asset General	0 00	0 00	1 00	0 00	1 00		150 00
FL Asset General	0 60	2 00	2 40	0 00	5 00		256 20
	0 60	2 00	3 40	0 00	6 00	1,431 00	238 50
Hours	2 00	31 60	11 40	0 00	45 00		
Charge	790 00	9,782 50	1,902 00	0 00		12,474 50	

### ***Pre-Administration expenses***

Details of pre-Administration expenses which have been incurred with a view to the Company's administration are

<b>Advisor and Nature of Work</b>	<b>Date of Engagement</b>	<b>Fees £</b>
PDT Solicitors Preparing appointment documents Drafting sale agreement	4 April 2011	6,500
<b>Total</b>		<b>6,500</b>

We instructed PDT Solicitors to draft the Purchase and Sale Agreement with Able Services PDM Limited, and to deal with the steps necessary to effect our appointment at Court. These pre-Administration expenses have been incurred by PDT Solicitors on a time cost basis, plus disbursements.

None of these expenses have been paid.

### ***Pre-Administration disbursements***

RSM Tenon Recovery have not incurred any disbursement charges pre-Administration.

### **Work done**

The work done by us, and by our advisors, in the period leading up to administration was reported in the first notification that we sent to creditors on 25 May 2011, immediately following the commencement of the administration. That notification explained how our pre-administration work was in the interests of creditors and was in furtherance of achieving a better outcome for creditors than in a Liquidation scenario.

If any creditor would like a further copy of that notification, please do not hesitate to contact this office.

### **Other persons entitled to claim**

We are unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any such claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

### **Not part of the Administrators' Proposals**

Please note that our request for payment of pre-Administration costs is separate to and does not form part of our Proposals to creditors for the conduct of the Administration.